Kentucky Judicial Form Retirement System

JUDICIAL RETIREMENT PLAN LEGISLATORS RETIREMENT PLAN

Donna S. Early Executive Director

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MEMORANDUM

To: Mary C. Yaeger, Office of Special Projects

From: Donna S. Early, Executive Director

RE: 2015 HB 495/BR 1087

AA Statement 1 of 2

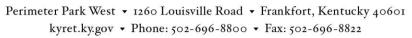
Date: February 24, 2015

I have examined **2015 HB 495** and have formed the opinion that it will not *increase or decrease* the benefits or increase or decrease participation in the benefits or change the actuarial accrued liability of the Judicial Retirement Plan or the Legislators Retirement Plan. Consequently, I have not requested an actuarial analysis by the System's independent actuary.

Please let me know if you have any questions regarding this communication.

KENTUCKY RETIREMENT SYSTEMS





February 27, 2015

Mary C. Yaeger Office of Special Projects Legislative Research Commission Capitol Annex, Room 39 Frankfort, KY 40601

RE: HB 495/BR 1087 AA Statement 2 of 2

Dear Mary:

House Bill 495 creates a new section of KRS 6.145 to 6.237 to allow individuals who become a member of the General Assembly on or after April 1, 2015 to make a one-time irrevocable election to not participate in the Legislators' Retirement Plan or the Kentucky Employees Retirement System for their service to the General Assembly; allow members of the General Assembly who began contributing to the Legislators' Retirement Plan or the Kentucky Employees Retirement System on or after December 31, 2014 but prior to April 1, 2015, to make a one-time irrevocable election by May 31, 2015, to discontinue participation in the Legislators' Retirement Plan or the Kentucky Employees Retirement System for their service to the General Assembly and receive a refund of accumulated contributions; provide that the election to not participate or discontinue participation in the Legislators' Retirement Plan or the Kentucky Employees Retirement System shall apply to all future service of the General Assembly; amends KRS 6.505, 61.510, and 61.525 to conform.

KRS staff members have examined HB 495 and have determined that the bill will not increase or decrease benefits, nor will it increase the participation in benefits, but may decrease the participation in benefits if members of the General Assembly discontinue participation in the Kentucky Employees Retirement System upon passage of the bill. HB 495 will not change the actuarial liability of the Kentucky Employees Retirement System in an measureable way. Consequently, we have not requested any further actuarial analysis of HB 495 by the System's independent actuary.

Please let me know if you have any questions regarding our analysis of HB 495.

Sincerely,

William A. Thielen Executive Director

Kentucky Retirement Systems

William a. Thelen